

**Return on Investment Program Funding Application (FY 2003 Request)**

This is an electronic template. Please enter your responses on this document. Only electronic submittals of this template will be accepted. Proposals submitted after the designated due date may not receive funding consideration.

FINAL AUDIT REQUIRED: The Enterprise Quality Assurance Office of the Information Technology Department is required to perform a final project outcome audit, after implementation, for all Pooled Technology funded projects.

SECTION I: PROPOSALDate: July 5, 2001Agency Name: Human ServicesProject Name: Chafee Foster Care Independence Program

Expenditure Name: _____

Agency Manager: Joe Finnegan, Chief, Bureau of Child Welfare Information SystemsAgency Manager Phone Number / E-mail: 242-5343/jfinneg@dhs.state.is.usExecutive Sponsor (Agency Director or Designee): Mary Nelson, Administrator, Division of Adult, Children and Family Services**Request For ROI Application Waiver:**

Agencies are required to complete this funding application when requesting funds for any project, any IT expenditure costing over \$100,000, or any non-routine IT expenditure. If you feel there is compelling reason to waive this requirement, please provide (in the box provided below) a brief description of the project or expenditure, the budget amount, and a rationale for the waiver request. Until a decision is made regarding your waiver request, it is not necessary to complete any other portion of this application. The ITD Enterprise Quality Assurance Office will convey waiver request decisions within five working days of receipt.

Explanation:**A. Project or Expenditure Rationale**

Is this project or expenditure necessary for compliance with a Federal standard, initiative, or statute? ☒ **YES** (If "YES," explain) ☐ **NO**

Explanation: The John H. Chafee Foster Care Independence Act of 1999 was passed by Congress in 1999. Its purpose is to provide "for an expansion of assistance to young people ages 18-21 who are leaving foster care or were in foster care at the time of their 18th birthday".

Is this project or expenditure required by State statute? ☐ **YES** (If "YES," explain) ☒ **NO**

Explanation:

Does this project or expenditure meet a health, safety or security requirement?

☒ **YES** (If "YES," explain) ☐ **NO**

Explanation: The IT related aspects of this requirement are to track information on foster youth who "age out" of the system to better understand their post foster care experiences and to achieve better outcomes for these high-risk youths. The federal government is at this time still defining the specific data elements to be tracked, but areas of health and safety will definitely be included.

Is this project or expenditure necessary for compliance with an enterprise technology standard?

☐ **YES** (If "YES," explain) ☒ **NO**

Explanation:

Is this project or expenditure consistent with meeting the goals and objectives of the State's strategic plans?

☒ **YES** (If "YES," explain) ☐ **NO**

Explanation: The data collected through this initiative will be used to help ensure better outcomes for one of Iowa's highest risk populations--youth who are still in foster care at age 18 or who "age out" of the system.

Is this a "research and development" project or expenditure? ☒ **YES** (If "YES," explain) ☐ **NO**

Explanation: The data collected through this initiative will definitely be used to research and develop better outcomes for foster youth. Data regarding these youths' experience in and after foster care will be used by state staff as well as national researchers (in a deidentified presentation) to better understand the unique problems of older foster care youth and to design programs and services that better help them to achieve success as adults.

B. Project or Expenditure Summary

1. Provide a pre-project or pre-expenditure (before implementation) and a post-project or post-expenditure (after implementation) description of the impacted system or process. In particular, note if the project or expenditure makes use of information technology in reengineering traditional government processes.

Response: Pre-project: This development effort is a result of new federal requirements. Specialized tracking and reporting of older youth in foster care is not currently occurring. This specific foster care population tends to have the lowest success rate as adults and has a statistically out of proportion experience with social services and the criminal justice system.

Post-project: The data reporting part of this federal requirement is effective 10/1/2002. The reporting requirements have not yet been released, so a budget has not yet been estimated as we don't know to what degree new data collection efforts will be necessary and how much of the required data will need to come from sources external to DHS (documents released by the federal government indicate that economic and education data will be required to be reported). We expect to receive later this fall or early winter a finalized set of program and reporting requirements.

This project is a continuation of a nationwide effort within federal and state government to bring objective measurements and outcomes to the field of child welfare. This is a new concept in this field. For many years, many social work practitioners did not believe measurements could be created. Now, federal, state and private social service agencies are seeing the gains in better meeting childrens' needs that can be made through establishment and measurement of predetermined outcomes. In this regard, this project represents a major reengineering of traditional government processes.

The types of data proposed to be collected are extensive, diverse (health, safety, encompassing education, economic, emotional, and psychological factors) and are proposed to be gathered at multiple intervals, both during and after a child's stay in foster care. Iowa's data will be combined with other states' to provide a previously unavailable picture of how youth exiting foster care experience early adulthood. Practitioners, researchers, funders, legislators and the public will have objective measures by which to gauge the effectiveness of foster care programs and to identify successes and those areas needing improvement. Therefore, this project also represents a solid move towards making government more accountable to its citizens.

2. Summarize the extent to which the project or expenditure improves customer service to Iowa citizens or within State government. Included would be such items as improving the quality of life, reducing the government hassle factor, providing enhanced services, improving work processes, etc.

Response: The data collected through this initiative will be used to design more effective programs and services for older youth in foster care. This population is particularly vulnerable (ex: nationwide, 25 - 40% of homeless young adults are estimated to have been in foster care). Data regarding these youth will be collected both during care and after, which will result in a detailed and longitudinal set of information not currently available. The data collected will be directly geared towards measuring and achieving outcomes for these youth.

3. Identify the main project or expenditure stakeholders and summarize the extent to which each, especially citizens, is impacted. In particular, note if the project or expenditure helps reconnect Iowans to State government.

Response: The main stakeholders for this project are the older foster youth served by DHS and the state and national social work practitioners serving and researching these youth. The general public, law enforcement, social service agencies and the court system are also stakeholders as older foster youth better able to succeed as adults will have less encounters with these organizations.

SECTION II: PROJECT ADMINISTRATION

A. Agency Information

1. Project Executive Sponsor Responsibilities: The sponsor must have the authority to ensure that adequate resources are available for the entire project, that there is commitment and support for the project, and that the organization will achieve successful project implementation.

Response: No response required.

2. Organization Skills:

- a. List the project management skills necessary for successful project implementation
- b. List the project management skills available within the agency
- c. List the source(s) of project management skills lacking within the agency
- d. Summarize relevant agency project management experience and results

Response:

- a. Policy expert with general project management skills and a general knowledge of the current child welfare IT systems.
- b. These project management skills currently exist within the agency.
- c. Both the policy and IT skills necessary for successful completion of this project currently exist within the department. Some of the data collection for this initiative may require the use of an extensive survey. DHS may need to consult with or ultimately contract with an organization that has the infrastructure in place to conduct citizen surveys (the post care information we are required to collect will need to come from youth who likely will live all over the country).
- d. The policy and IT staff currently in DHS have extensive knowledge of and skills in meeting federal child welfare reporting requirements. The child welfare IT organization within DHS has successfully completed two prior reporting requirements (AFCARS and NCANDS) within federally mandated timeframes and in accordance with all federal data quality checks. Both of these reports involved large and complex sets of data requiring extensive embedded logic. This new reporting requirement will be modeled after these existing reports.

B. Project Information

1. History:

- a. Is this project the first part of a future, larger project? If so, please explain.
- b. Is this project a continuation of a previously begun project? If so, please explain project history, current status, and results.

Response:

- a) We are not currently aware of any future phases regarding the IT portion of this initiative.
- b) This project builds on current work in Iowa's child welfare service delivery system to establish and measure outcomes. DHS has for past 18 months or so been working with its private social service agency partners in addition to other public agencies to not only gain input into overall program design but to increase partnerships and collaborative efforts for better outcomes for youth "aging out" of the foster care system.

2. Expectations: Describe the primary purpose or reason for the project.

Response: The IT portion of this project is required by federal law and involves tracking demographic, DHS service history, social, education, and economic data for older foster care youth. This data will be collected for youth still in care and for youth that have exited care. Having this longitudinal data will provide practitioners and researchers with much needed information to identify and measure outcomes and to design more effective services for this population.

3. Measures: Describe the criteria that will be used to determine if the project is successful.

Response: As the specific data to be collected will be mandated by the federal government, the near term measurement of success will be timely completion of the report and that it passes all federal data edits and quality checks. The long term measure of success is whether this data helps Iowa to better serve older foster youth and whether the data can be used to objectively and accurately measure the federally-defined outcomes.

4. Environment: List the project participants (i.e. single agency, multiple agencies, State government enterprise, citizens, associations, or businesses, etc.).

Response: A great deal of the data will come from data sources currently controlled by DHS. However, some of the education and economic data would best be provided by the departments of Education and Workforce Development respectively.

5. Risk: Describe the project risks which may be internal or external to State government, i.e. implementing versus not implementing project, changing technology, potential cost overruns, changing citizen demand or need, etc.

Response: Not implementing the project risks an estimated \$55,000 annually in federal financial participation. The other chief risk of the project is the ability of DHS to gain access to the wide variety of data this federal mandate envisions as well as being able to contact and obtain data from youth once they have exited the care of DHS.

6. Security / Data Integrity / Data Accuracy / Information Privacy
- List the security requirements of the project
 - Describe how the security requirements will be integrated into the project and tested
 - Describe what measures will be taken to insure data integrity, data accuracy and information privacy.

Response:

- The chief data security requirements for the project involve the safe and secure electronic transmission of the data to the federal government.
- We currently use the federal government's "direct connect" protocol which uses a secure, nonpublic line for transmission and encryption of the data prior to submission. Testing will consist of transmitting "dummy" files of data with quality checks to ensure data is not lost or modified in transmission.
- Using a secure line and encryption of data are good measures to ensure the privacy of the information. The "direct connect" protocol has built-in logic to ensure that data is not lost or modified during transmission. Additionally, the federal government provides copies of the software it uses to process and aggregate the data. We always run this software before transmission and compare our results to the federal government's as an additional check of transmission errors.

7. Project Schedule
Describe general time lines, resources, tasks, checkpoints, deliverables, responsible parties, etc.

Response: Unknown at this time--awaiting publication of federal regulations regarding the specific program and reporting requirements. We believe that the IT portion of the project will need to be completed during SFY '03.

SECTION III: TECHNOLOGY (In written detail, describe the following)

A. Current Technology Environment

1. Software (Client Side / Server Side / Midrange / Mainframe):

- a. Application software
- b. Operating system software
- c. Major interfaces to other systems, both internal and external

Response:

- a) Our current federal reports are generated from data stored in our mainframe IDMS (release 12.0) databases, maintained by ITD.
- b) Our operating software is OS 390. These reports do not depend upon interfaces to other systems.
- c) No interfaces are involved in this project.

2. Hardware (Client Side / Server Side / Mid-range / Mainframe):

- a. Platform, operating system
- b. Storage and physical environment
- c. Connectivity and bandwidth
- d. Logical and physical connectivity
- e. Major interfaces to other systems, both internal and external

Response:

- a) The hardware our mainframe databases reside on is IBM 9672 CMOS.
- b) Storage will be within our current IDMS mainframe database or on a SQL client server or similar platform, depending on the degree to which we will want to integrate the new data with current system case management functions.
- c) N/A
- d) Unknown at this time
- e) No interfaces are involved in preparing the current reports.

B. Proposed Technology Environment

1. Software (Client Side / Server side / Mid-range / Mainframe)

- a. Application software
- b. Operating system software
- c. Major interfaces to other systems, both internal and external
- d. General parameters if specific parameters are unknown or to be determined

Response:

- a) As the data we believe the federal government ultimately will require to be collected is extensive and may come from many different sources, we may utilize our current SQL server and create a database there or within the State's existing data warehouse (as that environment is so well suited to the variety of ad hoc queries this data will likely encourage). If we want to fully integrate the data we are ultimately required to collect into our current case management system support, we will likely add it to our current mainframe ADS/O-IDMS system
- b) Depends on the decision made in a)
- c) No interfaces proposed in this project other than combining data from any multiple systems into a single report
- d) We will want to store the data in an environment in which ad hoc queries and "slicing and dicing" are made as convenient as possible. So, even if we choose to do store the data within our current mainframe system, we will likely load some of it into our current data warehouse for purposes of ad hoc reporting and further data analysis.

2. Hardware (Client Side / Server Side / Mid-range / Mainframe)
 - a. Platform, operating system
 - b. Storage and physical environment
 - c. Connectivity and Bandwidth
 - d. Logical and physical connectivity
 - e. Major interfaces to other systems, both internal and external
 - f. General parameters if specific parameters are unknown or to be determined

Response: See answer to previous question.

C. Data Elements

If the project creates a new database, provide a description of the data elements.

Response: Unknown at this time--awaiting publication of federal regulations regarding the specific reporting requirements.

SECTION IV: Financial Analysis

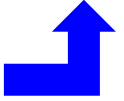
A. Budget: Enter figures and calculate (see formula below) Total Annual Prorated Cost (State Share).

$$\left[\left(\frac{\text{Budget Amount}}{\text{Useful Life}} \right) \times \% \text{ State Share} \right] + (\text{Annual Ongoing Cost} \times \% \text{ State Share}) = \text{Annual Prorated Cost}$$

Budget Line Items	Budget Amount (1 st Year Cost)	Useful Life (Years)	% State Share	Annual Ongoing Cost (After 1 st Year)	% State Share	Annual Prorated Cost
Agency Staff	\$80,000	15	100%	\$5000	100%	\$10,333.33
Software	\$0		%	\$	%	\$
Hardware	\$		%	\$	%	\$
Training	\$		%	\$	%	\$
Facilities	\$		%	\$	%	\$
Professional Services	\$		%	\$	%	\$

ITD Services	\$		%	\$	%	\$
Supplies, Maint, etc.	\$		%	\$	%	\$
Other (Specify)	\$		%	\$	%	\$
Totals	\$	-----	-----	\$	-----	\$10333

Transfer this amount to the ROI Financial Worksheet, item "D" on page 13.



B. Funding: Enter data or provide response as requested

1. This is (pick one): ☒ A Pooled Technology Fund or Reengineering Fund Request
☐ An Agency IT Expenditure or Budget Request (General Fund, Road Funds, etc)
☐ Other – Specify:

2. On a fiscal year basis, enter the estimated cost by funding source?

	FY03		FY04		FY05	
	Cost (\$)	% Total Cost	Cost (\$)	% Total Cost	Cost (\$)	% Total Cost
State General Fund	\$	%	\$5000	100%	\$5000	100%
Pooled Tech. Fund	\$40000	50%	\$	%	\$	%
Federal Funds	\$40000	50%	\$	%	\$	%
Local Gov. Funds	\$	%	\$	%	\$	%
Grant or Private Funds	\$	%	\$	%	\$	%
Other Funds (Specify)	\$	%	\$	%	\$	%
Total Project Cost	\$80000	100%	\$5000	100%	\$5000	100%

If applicable, summarize prior fiscal year funding experience for the project / expenditure.

Response: New project - not applicable

1. On a fiscal year basis, how much of the total (\$ amount and %) project / expenditure cost would be absorbed by your agency from normal operating budgets (all funding sources)?

Response: The only ongoing IT costs for this project would be data warehouse storage costs if we decide to use that platform as a repository for this data. We would absorb those costs into our normal operating budget.

2. Identify, list, and quantify all new annual ongoing (maintenance, staffing, etc.) related costs (State \$s) that will be incurred after implementation or expenditure.

Response: See above response.

C. ROI Financial Worksheet: Respond to the following and transfer data to the ROI Financial Worksheet (see IVC11) as necessary:

1. Annual Pre-Project Cost – Quantify all actual state government direct and indirect costs (personnel, support, equipment, etc.) associated with the activity, system or process prior to project implementation. This section should be completed only if state government operations costs are expected to be reduced as a result of project implementation.

Response: New project - not applicable

2. Annual Post-Project Cost – Quantify all estimated State government direct and indirect costs associated with activity, system or process after project implementation. This section should be completed only if State government operations costs are expected to be reduced as a result of project implementation.

Response: The post-project ongoing IT costs for this project would be data warehouse storage costs if we decide to use that platform as a repository for this data. We would absorb those costs into our normal operating budget.

3. State Government Benefit -- Subtract the total “Annual Post-Project Cost” from the total “Annual Pre-Project Cost.” This section should be completed only if State government operations costs are expected to be reduced as a result of project implementation.

Response: Not applicable

4. Citizen Benefit – Quantify the estimated annual value of the project to Iowa citizens. This includes the “hard cost” value of avoiding expenses (“hidden taxes”) related to conducting business with State government. These expenses may be of a personal or business nature. They could be related to transportation, the time expended on or waiting for the manual processing of governmental paperwork such as licenses or applications, taking time off work, mailing, or other similar expenses. As a “rule of thumb,” use a value of \$10 per hour for citizen time savings and \$.325 per mile for travel cost savings.

Response: The product of this project is the creation of a federal report. This specific product is not one that usually produces an immediately visible and directly measurable benefit to citizens. The main benefits of this project to citizens will be in the increased measures of performance for the foster care program and the overall societal gains from serving these youth better.

5. Opportunity Value/Risk or Loss Avoidance Benefit – Quantify the estimated annual non-operations benefit to State government. This could include such items as qualifying for additional matching funds, avoiding the loss of matching funds, avoiding program penalties/sanctions or interest charges, avoiding risks to health/security/safety, avoiding the consequences of not complying with State or federal laws, providing enhanced services, avoiding the consequences of not complying with enterprise technology standards, etc.

Response: Failure to produce this report could place \$55,000 annually in federal funds at risk. Additionally, failure to produce these reports denies Iowa access to and use of data that will be critical to measuring and improving services to a high-risk group of youth.

6. Total Annual Project Benefit -- Add the values of all annual benefit categories.

Response: \$55,000

7. Total Annual Project Cost – It is necessary to estimate and assign a useful life figure to each cost identified in the project budget. Useful life is the amount of time that project related equipment, products, or services are utilized before they are updated or replaced. In general, the useful life of hardware is three (3) years and the useful life of software is four (4) years.

Depending upon the nature of the expense, the useful life for other project costs will vary between one (1) and four (4) years. On an exception basis, the useful life of individual project elements or the project as a whole may exceed four (4) years. Additionally, the ROI calculation must include all new annual ongoing costs that are project related. Completing Section IV-A, Project Budget of the evaluation document will provide all the necessary information for this item.

Response: \$10,333

8. Benefit / Cost Ratio_– Divide the “Total Annual Project Benefit” by the “Total Annual Project Cost.” If the resulting figure is greater than one (1.00), then the annual project benefits exceed the annual project cost. If the resulting figure is less than one (1.00), then the annual project benefits are less than the annual project cost.

Response: $\$55,000/\$10,333 = 5.3:1$

9. ROI -- Subtract the “Total Annual Project Cost” from the “Total Annual Project Benefit” and divide by the amount of the requested State IT project funds.

Response: $(\$55,000-\$10,333)/\$40,000 = 1.11$

10. Benefits Not Readily Quantifiable -- List the project benefits which are not readily quantifiable (i.e. IT innovation, unique system application, utilization of new technology, hidden taxes, improving the quality of life, reducing the government hassle factor, meeting a strategic goal, etc.). Rate the importance of these benefits on a “1 – 10” basis, with “10” being of highest importance. Check the “Benefits Not Readily Quantifiable” box in the applicable row.

Response: Having more extensive information regarding older foster youth measured over time (including their early adult years) will provide an unprecedented opportunity to measure, validate and improve the services delivered to these youth. As these youth tend to have a statistically high involvement with the court, criminal justice and social service systems, any improvements made that reduce this exposure benefit all citizens in the state. But those that will be benefited the most and to the largest degree will be the foster youth themselves.

11. ROI Financial Worksheet**Annual Pre-Project Cost - How You Perform The Function(s) Now**

FTE Cost (salary plus benefits):	\$0
Support Cost (i.e. office supplies, telephone, pagers, travel, etc.):	\$0
Other Cost (expense items other than FTEs & support costs, i.e. indirect costs if applicable, etc.):	\$0
A. Total Annual Pre-Project Cost:	\$0

Annual Post-Project Cost – How You Propose to Perform the Function(s)

FTE Cost:	\$80000
Support Cost (i.e. office supplies, telephone, pagers, travel, etc.):	\$
Other Cost (expense items other than FTEs & support costs, i.e. indirect costs if applicable, etc.):	\$
B. Total Annual Post-Project Cost:	\$80000
State Government Benefit (= A-B):	\$-80000

Annual Benefit Summary

State Government Benefit:	\$0
Citizen Benefit:	\$0
Opportunity Value or Risk/Loss Avoidance Benefit:	\$55000
C. Total Annual Project Benefit:	\$55,000
D. Annual Prorated Cost (SECTION IV-A):	\$10333
Benefit / Cost Ratio: (C / D) =	5.3
Return On Investment (ROI): (C – D / Requested Project Funds) x 100 =	111%

☐ **Benefits Not Readily Quantifiable**

Section V: ITC Project Evaluation Criteria

Criteria and Location in Project Evaluation Document		Points
1.	Is the project a statutory requirement; legal requirement; federal or state mandate; health, safety or security requirement or issue; and/or required for compliance with the enterprise technology standards? Location: Section I-A	15
2.	Will the project improve customer service? Location: Section I-B.2	15
3.	Does the project have a direct impact on citizens? To what extent does the project help reconnect state government with lowans? Location: Section I-B.3	10
4.	Does the project provide a sufficient tangible and/or intangible return on investment? Will it generate savings or income? Location: Section IV-C	10
5.	Does the project make use of information technology and its practical application in reengineering traditional government processes consistent with the goals and objectives of the state's strategic plans? Location: Section I-B.1	10
6.	Risk: What are the risks associated with the project? Such risks may include those internal and external to state government, the risk of doing a project, the risk of not doing a project, and the risks associated with changing technologies, potential cost overruns, and changing citizen demands and needs. Location: Section II-B.5	10
7.	Is this funding required to continue a project that was begun prior to the year funding is being requested for and does it have proven past performance? Is the funding part of a multi-year strategy? Location: Section II-B1, IVB2	10
8.	Will the project be for only one agency, multiple agencies, or the state government enterprise? Location: Section I-B3, IIB4	10
9.	Has the applicant maximized their own and other resources in the project? Is alternative funding unavailable for this project? (If no other funding available, project will not be completed without Pooled Technology funding) Location: Section IV-B.2, IV-B.3	5
10.	What is the credibility of the requester based on past performance on other projects? Location: Section II-A.2.d	5
Total		100